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NATIONAL RETAILER TO PAY \$2.1 MILLION TO SETTLE

SCANNER OVERCHARGES CASE

Thrifty Payless, Inc., and its new corporate owner Rite Aid Corporation, agreed to pay \$2.1 million in civil penalties and other monetary relief to settle a consumer protection lawsuit filed by the San Diego City Attorney's Office and ten other Prosecutors' Offices in California. The lawsuit alleged that Rite Aid engaged in misleading advertising and unfair competition by charging customers more for items than the advertised or posted price.

The subject overcharges were first discovered in 1996 by State and County Weights and Measures inspectors. Follow-up inspections throughout the State revealed additional overcharges in Rite Aid stores.

Under the terms of the Superior Court judgment, Rite Aid is required to provide forty hand-held UPC bar code scanners and specialized computer systems to the California Agriculture Commissioners and Sealers Association (CACASA). The equipment will be used by Weights and Measures inspectors throughout the state to ensure pricing accuracy in retail stores. The judgment also requires that Rite Aid pay \$45,000 to CACASA to be used for price-verification training of inspectors.

"The judgment in this case puts the responsibility for pricing accuracy where it belongs--on Rite Aid-- not consumers," said San Diego City Attorney Casey Gwinn. "Each Rite Aid store must now have a pricing accuracy coordinator to ensure compliance with the judgment," added Gwinn. Rite Aid agreed to the settlement without admitting wrongdoing.

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